

**STATEMENT OF
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DEPARTMENT OF VETERANS AFFAIRS
BEFORE THE
HOUSE ENERGY AND COMMERCE COMMITTEE**

AUGUST 1, 2007

Mr. Chairman, Committee Members, and Members of the Louisiana delegation, thank you for the continued support Congress has given the Department of Veterans Affairs (VA) in our rebuilding and recovery efforts in southeastern Louisiana. Today, I will report accomplishments and describe remaining challenges.

The Southeast Louisiana Veterans Health Care System (SLVHCS) has made significant progress in the past 23 months in meeting veterans' health care needs in the greater New Orleans area. With the support of Congress, VA accelerated the activation of Community Based Outpatient Clinics (CBOCs) in locations proposed under the Capital Asset Realignment for Enhanced Services (CARES) program. Three new CBOCs are now open in Slidell, Hammond, and St. John Parish, Louisiana, for a total of six permanent CBOCs. Primary care and general mental health services are offered at each of these locations. Eighty percent of our patients drive thirty minutes or less to receive their primary and general mental health care.

Plans are progressing to lease additional space for specialty care and ambulatory surgery and procedures. Patients requiring complex care are currently referred to other VISN 16 facilities or care is obtained within the community. The ability to perform in-house procedures and surgeries will significantly reduce current purchased care expenditures. This year SLVHCS will spend up to \$25 million for purchased care outside the VA. This compares to \$2.4 million pre-Katrina, a ten-fold increase.

Pathology and laboratory services were enhanced in the past year and are currently centralized in Baton Rouge. Pharmacy services exist at all our CBOCs and a \$3.5M project to establish a new and enhanced pharmacy in New Orleans will be

completed in early 2008. A newly constructed Diagnostic Imaging Center will open on the New Orleans campus in Fall 2007, providing the full range of general radiology, CT and MRI capability. Dental services are provided at the Baton Rouge clinic and were expanded in April 2006 by leasing space in Mandeville, Louisiana. Currently no patients are waiting for dental care.

In keeping with national initiatives to provide patient care in the least restrictive environment, SLVHCS has tripled the number of staff in community and home-based care programs. This includes Home Based Primary Care (HBPC), telemedicine, contract community nursing homes and a unique "Hospital at Home" program whereby teams of clinicians visit patients at home to shorten hospital stays or, if possible, avoid the need for hospitalization. The HBPC program has grown from an average of 95 patients enrolled on any given day to 125 - a 32 percent increase. This is one example of how VA is reinventing care to meet the specialized needs of veterans post-Katrina.

In June 2007, VA implemented a new program through an agreement with its affiliate, Tulane University Hospital and Clinic to allow VA physicians to admit and manage care of veteran patients at Tulane hospital. Veterans responded favorably to this "virtual VA inpatient" program because it allows them to remain near their families and support systems while being treated by their own familiar team of VA physicians and social workers. In the past month, 45 patients were admitted. To the best of our knowledge, this has not been done elsewhere in the country.

Over half of SLVHCS patients are diagnosed with a mental health disorder. Specialized mental health programs (including PTSD and substance abuse treatment) are currently provided and we are acquiring additional space to significantly expand these services. Psychiatric beds in metropolitan New Orleans are critically limited; therefore, VA patients requiring inpatient mental health care are most often transported by ambulance to VA medical centers in Alexandria and Shreveport, Louisiana. This year we expect to admit 225 patients for acute psychiatric hospitalization. A significant challenge impacting our mental health programs is the loss of 9 psychiatrists, due to relocation, (41 percent of pre-Katrina levels) as a result of the storm.

VA is using adaptability and flexibility to meet the needs of veterans during the recovery period. Patients are grateful for the government's response and are seeking care within the SLVHCS in record numbers. SLVHCS has served over 30,000 veterans through June 2007. Of those served over 4,000 were new patients. On average, 1,000 outpatients are seen daily in the CBOCs. It is projected that by year end, 35,000 veterans will have been treated. This is 90 percent of the pre-Katrina level.

There are currently 76 physician residents compared to 120 before Hurricane Katrina. In order to maintain the stability of residency training programs and meet our obligation to educate America's physicians, VISN 16 is working with academic affiliates, Tulane University School of Medicine and Louisiana State University School of Medicine, to place VA faculty, medical staff and residents, and student trainees at VAMCs throughout VISN 16 until full and robust clinical programs return to the SLVHCS.

I would be remiss if I did not address the issue of recruitment and retention of professional staff. As a direct result of Hurricane Katrina, 57 physicians and 70 nurses left our employment. These losses and the subsequent challenges in recruiting physicians have resulted in delays in some of our specialty clinics. Losses include 90 percent of our orthopedists, over 60 percent of our otolaryngologists (ENT), half of our ophthalmologists, neurosurgeons, and rheumatologists. Lucrative recruitment packages have been drafted in an attempt to attract qualified professionals. A recent offer for a physician to move to New Orleans required a recruitment package that included the salary at the top of the pay scale and moving expenses. The applicant declined. This is an example of both the challenges in recruiting qualified health care providers and that money is not necessarily the biggest hurdle.

Conclusion

Mr. Chairman, the Committee and the Louisiana delegation are partners with VA in seeing that southeast Louisiana veterans continue to receive the high quality health care they deserve and have come to expect.

Your continued interest and support in our recovery efforts as we reestablish critical services is and will continue to be an important part of our commitment to uncompromised excellence in health care services for veterans in southeast Louisiana.

Thank you for the opportunity to be here today. I will be pleased to answer any questions you may have.